

Seattle City Employees' Retirement System 2011 Annual WMBE Plan Guidelines

1. Department Representative

Cecelia M. Carter, Executive Director &
TBD, Administrative Staff Assistant (search in progress)

2. 2011 Goals

Summarize your department 2010 WMBE goal attainment

2010 Goal not applicable – did not formally summarize a 2010 WMBE goal.

Establish and identify an aspirational WMBE utilization goal for purchasing and a goal for consulting.

2011 Goal

As of December 31, 2010 the fund portfolio for the Seattle City Employees' Retirement System had 22.73% invested through WMBE money managers. The goal is to ensure: (1) qualified managers first; followed by (2) at least 15% of the portfolio managed through WMBE money managers. Additionally, to ensure qualified WMBE money managers have opportunity to present to the Board.

Identify and describe detailed strategies and actions

Staff will work with its investment consultant to ensure WMBE fund managers are provided opportunity to present to the Board for money management assignments.

3. Project Specific Strategies and Objectives

The primary objective of this initiative is to ensure opportunities for WMBE money managers to present before the Board of Administration and a chance to invest funds on behalf of the Seattle City Employees' Retirement System, mindful always first that best in class is most favorable in the final selection.

This program is more in maintenance and monitoring mode than implementation mode. With vigilant monitoring and mindful inclusion, if and when a manager is replaced, the Executive Director, in-house investment staff, and the Board are familiar with and respectful of our initiative to raise the issue up to focus upon.

4. Department Training

The key department personnel to be kept mindful of this objective are the Executive Director, the Investments SA-3 and the "to be hired" Investments SA-2. It will be our responsibility to keep the Board of Administration mindful of this objective when warranted.

When warranted, upon the hiring of a new manager or reallocation of portfolio funds, the key personnel would ensure the Board of Administration are aware of the portfolio's allocation to WMBE money managers.

5. Outreach Events

The Executive Director is responsible for representing the Retirement System at industry specific functions (i.e., pension, retirement, financial services). Such functions involving the financial industry are a prime examples of opportunities to reach out to the WMBE money management community and explore additional opportunities for inclusion.

6. Consultant Inclusion Plans

The selection of money management firms to be presented to the Board of Administration to invest the SCERS portfolio is generally conducted collaboratively with SCERS' outside investment consultant and in-house staff. The Board of Administration then selects a manager based upon the summary of information regarding the money manager and the presentation made by the money manager to the Board.

With the inclusion of SCERS staff in the vetting and due diligence process, the ability to ensure WMBE managers are given the opportunity to participate in presentation opportunities to the Board of Administration is monitored.

7. Additional Strategies and Efforts

This goal could be hampered by the Board's fiduciary responsibilities to the Plan and its participants. If a WMBE is not available for a management mandate and the System finds itself below the 15% goal, the Board's fiduciary responsibility must prevail. Presently, that is not an issue.